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TERRITORY



IDENTIFYING KEY STAKEHOLDER GROUPS FOR IMPLEMENTING A PLACE BRANDING POLICY IN SAINT PETERSBURG

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Regional brands have become a valuable intangible asset and a crucial competitive resource for forging partnerships. An effective place branding policy is impossible without a precise understanding of the interests of stakeholder groups. It is essential to realize that each region is unique in its own way. Territories differ in the structure of stakeholders, their influence on regional development, and the range of leverages over regional decision-makers. This study aims to give a more precise definition of key groups of stakeholders in Saint Petersburg place branding, and to identify them. The authors employ the method of theoretical and empirical typology of a territory's stakeholders within a theoretical framework proposed by E. Freeman, P. Kotler, S. Zenker, and E. Brown. The article defines the concept of key regional stakeholders and identifies them. The proposed target audience (stakeholder group) model for a place branding policy is tested on the case of Saint Petersburg. The authors show that each target audience of place marketing requires an individual policy. This is explained by the fact that each group enjoys its unique features that should be taken into account when creating and transmitting messages.

Key words: stakeholders, St. Petersburg, city brand, place marketing, place branding

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Introduction

Already in the second half of the 20th century, European countries and the US came to realize that a region as such could be famous as a brand and

attract certain stakeholder groups. However, building up a strong place brand is a complex and long-term process of strategic importance for increasing competitive advantages and attractiveness of any region.

At present, the difficult economic situation in Russia caused by many objective factors and the need for economic development of administrative regions have led to an ever-growing awareness of the significance of place marketing and branding. In the modern world, the place brand becomes an important intangible asset of a regional economy. By the region here, we understand a unit as big as a country and smaller territories, such as the province (Krasnodar krai), the region (Kaliningrad region), and the city (St. Petersburg). Place marketing and branding issues are also becoming more topical due to the increasing importance of information, which ensures competitive advantages of economic and political entities. The place brand becomes an important competitive resource for establishing partnership relations.

The growing competition among different regions for attracting tourists, investors, new residents and entrepreneurs has led to a situation where officials responsible for the development of territories have started applying tools previously designed for other areas of marketing. With place branding, the aim of such methods could be inspiring stakeholders' loyalty to certain territories.

The term *stakeholder*, as it currently stands, was proposed by Robert Edward Freeman, the creator of the eponymous theory. In his book "Strategic Management: a Stakeholder Approach", he defines stakeholders as "any group or individual who can affect or is affected by the achievement of the organization's objectives" [30].

Obviously, E. Freeman focused his research on an enterprise or organization; therefore, he refers to the main stakeholders of a company: owners, managers, shareholders, investors, partners, employees, local community, public organizations, media, competitors, consumers and government. Each of these groups has its own interests, sometimes coming into conflict with the interests of other stakeholders, each having levers of influence on the company. Decision-making managers must consider the fact that stakeholders have substantial power.

It is evident that corporate branding aims at acquiring a favourable social and commercial status of the organisation as a whole. Its task is to form the desired corporate image in the minds of the target audiences; each audience may need its own message designed specifically for them.

S. Anholt believes that traditional commercial marketing tools are quite applicable to place marketing. Thus, as he puts it, "the promotion of places has continued to move forward in parallel with the promotion of products and services ever since, with place marketers adopting the new techniques of product marketers, as soon as they appear" [22].

S. Zenker and E. Braun in their paper "The Place Brand Centre — A Conceptual Approach for Place Branding and Place Brand Management" adapt the concept of a corporate brand to a place brand. They define "a place brand as a network of associations in the consumers' mind based on the vis-

ual, verbal, and behavioural expression of a place, which is embodied through the aims, communication, values, and the general culture of the place's stakeholders and the overall place design" [37].

E. H. da Silva Oliveira in his studies, considering the role and position of place branding in strategic spatial planning, shows that place branding is to be part of place-specific governance strategies aimed at enhancing place images and managing perceptions regarding places [34].

According to M. Kavaratzis and M. J. Hatch, the work with stakeholders becomes the most important element of place branding [33]. Consequently, the main goal of place branding is ensuring the commitment of stakeholders (target audiences) to certain regions.

The most well-known classification of place marketing and branding stakeholders belongs to Ph. Kotler. According to Ph. Kotler, there are four major groups of target markets, see Table 1 [6].

Table 1

Place marketing target markets

Visitors	<ul style="list-style-type: none"> • Business visitors • Non-business visitors (tourist or travelers)
Residents and employees	<ul style="list-style-type: none"> • Professionals (scientists, doctor s, etc.) employees • Skilled employees • Teleworkers • Wealthy individuals • Investors • Entrepreneurs • Unskilled employees
Business and industry	<ul style="list-style-type: none"> • Heavy industry • Clean-tech industry, assembly production, high-tech, service companies, etc. • Entrepreneurs
Export markets	<ul style="list-style-type: none"> • Other localities within the domestic markets • International markets

Another view on the classification of place branding stakeholders has been proposed by S. Beckmann and S. Zenker. In their opinion, there are four core stakeholder groups in place marketing and place branding; and within each group, the authors distinguish subgroups with their own, differing interests (Fig. 1) [24]. The first group can be divided into business and leisure time visitors as well as professional visitors such as archaeologists and architects. The second group includes people living and working in this territory (both internal and external). The third group of stakeholders consists of public services, private business, and non-governmental organizations. The fourth group is composed of media.

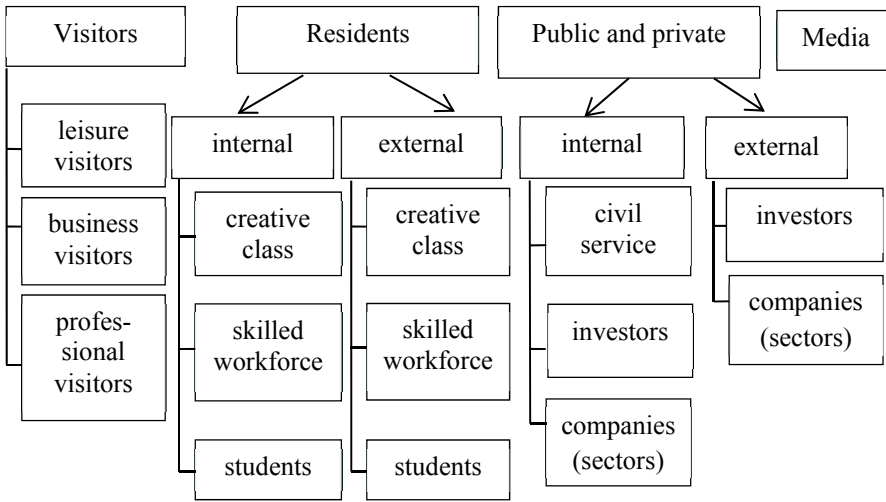


Fig. 1. Stakeholders in place branding [24]

B. M. Grinchel by the term *place space consumers* means a subject (buyer) who can choose different countries, regions, cities or is stuck to them by political, economic, cultural and historical ties. In particular, the author identifies the following types of consumers, sought after by competing regions and cities: capital and financial resources; enterprises, both existing and potential; people (residents, tourists, skilled migrants); transit freight and passenger flow; the possibility of holding various kinds of interregional and international events (holidays, competitions, conferences, etc.); placing of corporate, government and international administrative organizations and representative offices [2; 3].

We claim that neither of the proposed approaches can fully represent the whole range of possible stakeholder groups. Therefore, we propose the following model of the place target audiences (Fig. 2).

Each group is not homogeneous, for example, tourists (leisure and business) or business (large or small). Media gets a special place because operation with target audiences can take place either directly or indirectly through the media, which is viewed as both a means and a goal of the communication process.

In the same way as with corporate stakeholders, an individual policy for each target audience of place marketing is required because each group has specific characteristics which should be considered when developing and disseminating certain messages. For example, the tourist market (the visitor market, according to Kotler) consists of two big, vastly different groups: business and non-business visitors, in turn, divided into sightseeing tourists and those who visit relatives and friends. Thus, each group can consist of

subgroups whose interests should be carefully studied. Otherwise, we may face a situation when tourist brochures reach the wrong target group, which ultimately leads to a waste of financial resources.

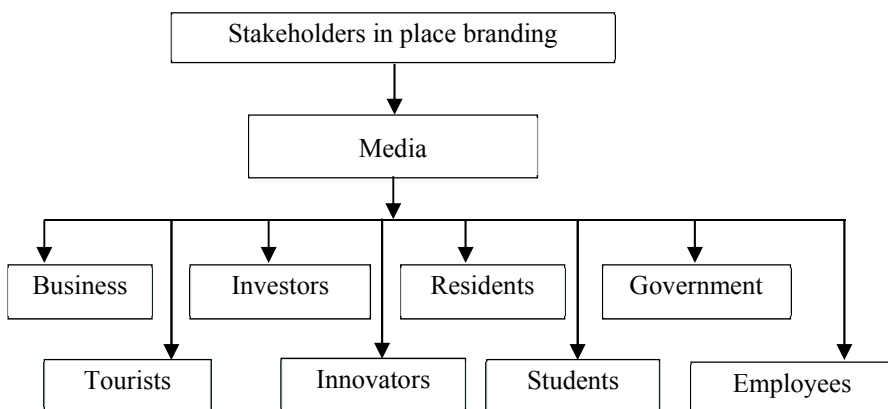


Fig. 2. Target audience of place branding

Specialists in territorial development should show the advantages that appeal to more clearly identified groups. In the current economic situation in Russia, when financial capacities of regions are limited, a competent place branding policy can promote economic growth and improve the quality of life [8].

Obviously, developing an effective policy of place branding is impossible without a clear understanding of the interests of each group of stakeholders. Each region is unique: territories differ in the groups of their stakeholders, the degree of their influence on the regional development, etc. M. Karvaratzis and G. Ashworth in their works make it abundantly clear that strong and sustainable place branding can be built only through the interaction of all groups of stakeholders in promoting the territory. They refer to the need for collective understanding and appreciation of place marketing, achieving wider cooperation and a clearer vision of distributing roles, viewing place marketing as a long-term process aimed at not only and not so much attracting tourists, but at expanding it to the fields other than tourism development [31; 32].

Below we describe the major stakeholder groups for St. Petersburg.

Business

According to B. M. Grinchel and E. A. Nazarova, the most important determinants of a favourable business environment are geographic location and transport infrastructure, the degree of economic development; demand for products, goods and services; infrastructure development, human potential, innovation potential, and quality of life [4].

St. Petersburg has all these essential prerequisites. The city with a population of about 5.2 million is the most important economic, scientific and cultural centre of the North-Western Federal District (NWFD) of Russia. The primary areas of industrial specialisation are power engineering, machine building, shipbuilding, precision tools production, as well as the chemical, petrochemical, radio-electronic, light and food industries.

The transport system, primarily the seaport plays an important role in the economy of St. Petersburg. The importance of the city as one of the largest pan-European and domestic cultural and tourist centres is growing.

The multi-sectoral economy of the North-Western Federal District pre-determines a wide development of inter-regional and interstate economic ties. In the European part of the country, the NWFD is the largest supplier of goods produced in the major branches of market specialisation, and the largest importer of equipment for extractive industries and the wood-chemical complex [17].

Investors

V. Snieska I. and I. Zykiene define city attractiveness for investment in the following way: a city having a favourable environment for investment, natural resources and abundant workforce. A favourable investment environment is characterised by effective institutional activity, an efficient tax system, and a developed physical infrastructure [35].

It should be stressed that financial profitability is not the major factor that affects the decision to invest in a region. A potential investor always considers a multitude of political, socio-economic, geographical, cultural factors, organisational and legal factors.

Now, St. Petersburg is ranked sixth in the city investment ranking, preceded by Tyumen, Moscow, Krasnoyarsk, the Moscow region and the Tatar Republic. Potential investors note that “compared with Europe, the country has the lowest taxes, and there are interesting programmes to support small businesses” [13].

Employees

The quality of life and the environmental conditions are factors conducive for qualified specialists to stay and continue working in a city. St. Petersburg is a large city providing good opportunities for employment not only of the local population but also of newcomers. This is a reason why job seekers from all regions come to St. Petersburg giving employers the opportunity to choose employees for middle and low positions. Local job seekers look for higher positions, better-paid jobs, better working conditions and a

good social package. So low paid positions are taken by ‘newcomers’. Local employees are reluctant to apply for this type of positions: it is very difficult to find candidates for many vacancies. Experience has shown that migrants can work under much worse conditions compared to local employees. So, newcomers help the labor market develop [10].

Despite the existing opinion that migrants can only find unskilled and low-paid jobs in St. Petersburg, the actual statistics shows opposite tendencies. Employers accept migrants willingly provided they have a labour permit since such people work conscientiously and are reliable. A nonresident applicant has a clear goal — to find a vacancy that will ensure his/her stable financial position. For the local workforce, a well-to-do life standard often allows them to ‘pick and choose’ jobs and they often quit in search of a better job. For nonresident applicants, a decent salary is their top priority, followed by prestige and the convenience of the work schedule. For instance, the position of a commodity expert is in high demand among nonlocals. As a rule, migrants are not too choosy about working conditions and are ready to work on a tight schedule, unlike local employees who are unwilling to take vacancies, which do not satisfy them in terms of salary, working conditions and a social package. It is common for young people from Russian provinces to come to big cities if they have failed to find the desired position in their native city or they come to St. Petersburg to study and need a part-time job. So waiter/waitress vacancies are in demand among the youth from other regions [12].

Residents

Residents have diverse needs that can be reduced to the following list: living conditions (quality and accessibility of education, medical care, etc.), employment, income, natural and climatic conditions and quality of the urban environment.

Unfortunately, only regions experiencing problems with the outflow of the population market themselves as a good place for living. Regions that do not have such a problem should also consider this type of branding since residents are also taxpayers who replenish regional and local budgets.

Empirical studies conducted by J. A. Araújo de Azevedo, J. M Ferreira Custódio and P. F. Antunes Perna have revealed “that the city’s quality of life (comprising six indicators) influences attachment to the place; —it is significantly correlated with self-efficacy, perceived happiness and active citizenship behaviour” [23].

E. Brown, M. Cavaracis and S. Zenker in their study have also proved the link between the place brand and residents’ behaviour. The authors identified three different roles played by residents: as an integral part of the place brand through their characteristics and behaviour; as ambassadors for their place brand who grant credibility to any communicated message; and as citi-

zens and voters who are vital for the political legitimization of place branding. These three roles make residents a very important target group of place branding. Residents are largely neglected in place branding practice; their priorities are often under-rated, even though they are not passive beneficiaries but rather active co-producers of public goods, services and policies. Only broader participation and deeper involvement can produce a more effective and sustainable place branding which can strengthen brand communication and help avoid the pitfalls of developing 'artificial' place brands [27].

St. Petersburg is an attractive place of residence from different standpoints. Today, people from different regions of Russia come to St. Petersburg in search of employment, income and better living conditions; they are trying to find a better life in such megalopolises as Moscow and St. Petersburg. Compared with Moscow, the rent in St. Petersburg is much lower. There is a noticeable difference in prices and the cost of services. St. Petersburg is an open window to Europe: one can easily go to Finland by car or go on a weekend cruise there. Though a metropolis, St. Petersburg boasts numerous green areas and is situated on the shores of the Gulf of Finland. In addition, transport problems in St. Petersburg are less acute than in Moscow. However, it is quite difficult to find a job corresponding to the job seeker's qualification in St. Petersburg, and an average salary is lower than in Moscow, while utility payments in St. Petersburg are almost the lowest in Russia. Yet, the unfavourable climate scares off many people.

There is no doubt that the quality of life is one of the most important factors in the innovative development of the economy [7] because regions attract highly qualified specialists provided they are attractive as a place of residence.

Innovations

Any region is not just a place for investment it is also a place for introducing the most ambitious innovations.

St. Petersburg has all the prerequisites for having an image of one of the largest innovation centres in Russia and in the world: highly developed production facilities, research centres, a network of financial and investment institutions, business incubators, etc. At present, St. Petersburg has a well-developed infrastructure for supporting innovative projects at all stages of their implementation: from the seed stage to commercialization of the product. Business incubators, shared high-tech research facilities, a prototyping centre, etc. are elements of the organizational and technological infrastructure for supporting innovation [9].

At the same time, St. Petersburg can become more than an innovative centre. The city has resources to become a centre (a pole) of competitiveness: the combination of enterprises, research organizations and educational centres that are located on the same territory, involved in joint activities and intended to create synergies in innovative projects [29].

St. Petersburg is one of the first regions of Russia to start creating a truly innovative environment. JSC “Technopark of St. Petersburg” has become an important instrument for implementing this policy. St. Petersburg Committee for Industrial Policy and Innovation in collaboration with JSC “Technopark of St. Petersburg” implements a modern technopark model, which implies the creation of a holistic innovation ecosystem. It includes instruments for the development of innovations at all stages: from start-ups to large cluster projects. It is also focused on the creation of a chain system for production and transfer of technology by all the ecosystem participants. For example, the “Ingria” Business Incubator, one of the largest in Russia, and the Cluster Development Centre are key actors in the implementation of the regional cluster policy.

The “Ingria” Business Incubator started in 2008 as a pilot project and has become one of the most famous and successful business incubators in Russia having helped more than 300 new companies to enter the market.

The St. Petersburg Cluster Development Centre is the first of Russia’s cluster development centres, which unites more than 20 clusters. The Centre assists in consolidating companies into clusters and developing large cluster projects aimed at sustainable development of St. Petersburg.

In July 2016, an Inter-branch Regional Engineering Centre specialising in the micro-reactor synthesis of active pharmaceutical substances was created at JSC “Technopark of St. Petersburg” [20].

The development of the city's potential requires sustainable urban infrastructure, research and innovation, cooperation between private and public organisations, including innovation centres, infrastructure for small businesses, IT parks, multifunctional administrative buildings for scientific and engineering facilities, and the organization of business, research and educational events. Research and development carried out by local academic institutes and university research centres should be coordinated with priority areas for the development of St. Petersburg economy.

The City Development Strategy stipulates that St. Petersburg authorities should take measures to create favourable conditions (administrative, tax, organizational and legal, etc.) for upgrading industrial assets, commercializing the results of research, stimulating the reproduction of scientific and technological potential of St. Petersburg, supporting initiatives of large international companies to place their research and development centres in the city. The city authorities, scientists and businesses are to introduce an effective system of additional incentives for innovative development by creating technological roadmaps, by determining requirements urging companies to use advanced technologies and strategies based on a long-term scientific and technical prognostication.

Government

Governmental authorities, especially Russia, have a significant impact on the development of regions by offering grants, subsidies and subventions, by placing state orders and funding state enterprises and organizations. Fed-

eral Anti-Monopoly Service (FAS) notes, “The state is rapidly increasing its presence in the economy. Its contribution, as well as the contribution of state-owned companies to GDP, grew to 70 % in 2015 from 35 % in 2005. At the same time, the number of regional and municipal unitary enterprises has sharply increased” [11].

At present, regional debts are becoming larger. In this regard, the press office of the Accounting Chamber notes, “The stable tendency of increasing the volume of a region's public debt has a negative impact on the sustainable development of the economy and social stability of the state. In October 2016, debt obligations of the regions amounted to about 2.3 trillion rubles. In the total volume of the regional state debt, a significant proportion belongs to commercial loans, namely, more than 965 billion rubles as of January 1, 2016 and 681 billion rubles as of October 1, 2016. The main creditors of the regions in the audited period were Sberbank and VTB Bank. They accounted for 86.4 % to 100 % of the audited regional debt to credit institutions” [19].

Compared with other regions of the Russian Federation, St. Petersburg is in a far better position. The city is one of the five “self-sufficient” regions where “everything is traditionally good: local authorities are spared from the unpleasant obligation to “pull the feds”, the standard of living of the population is relatively high, and the regional budgets are not seriously affected by the crisis” [21].

Media

Strictly speaking, mass media cannot be regarded as a target group for place branding events; rather it is a channel of communication with other stakeholders. Robert Govers writes, “There are just so many channels that influence peoples’ perceptions: direct experiences or those of relatives and friends, mainstream media, social media or popular culture, one needs an overall coordinated strategy to cut through” [28].

At the same time, media people are ‘flesh and blood’, they are only human and equally affected by the environment. Journalists are to carefully choose topics for their articles and editors need to anticipate the interests of their readers.

Therefore, we must understand that the opinion about a region depends, among other things, on the involvement of the press in covering place branding activities, on winning mass media loyalty, and on better planning place promotion.

From the point of view of mass media, the most important characteristics are access to information, transparency and a dialogue with the authorities.

Tourists

The city brand is an idea that first unites residents, and then becomes the basis for communication with the outside world, for promoting the city nationally and internationally. A good brand can transform a city; it is directly

related to the strategy of its development. Yet, we must be aware that the tourist market is highly competitive, as customers have a greater variety of destinations to choose from since approximately 200 nations and 2 million tourist destinations are trying to attract the tourists. [25]

Tourists' loyalty, i.e. their attraction to one or another destination is not accidental. A study conducted by K. Swanson showed that the building of a strong destination brand is based on a deep understanding of how and why tourists choose the destination. With this knowledge, specialists in marketing would be better prepared to design and run destination promotion campaigns, resulting in an increased number of visits and higher revenue [36].

St. Petersburg has a strong brand: the city has always attracted tourists. They are interested to see the city as such and not only its separate world heritage sites. However, points of attraction for external and domestic tourists differ. Today, public spaces and services are becoming increasingly important. Tourists and townspeople who form the demand for services, ensure the versatility of the urban streetscape, smooth seasonality, and stimulate the economic efficiency of the megalopolis [15].

According to the data provided by the Federal Migration Service of Russia, there were 824, 874 foreign nationals registered in St. Petersburg in the first half of 2016, including 418,983 tourists, and 57, 896 coming to the city for business. During the same period in 2015, the Migration Service registered 702,972 people, including 293,363 tourists who visited St. Petersburg in the first half of 2015, and 88,591 for business. Overall, there was a 43 % increase in the number of tourists in the first half of 2016, whereas the number of business travelers decreased by 35 %. Given the lack of clear criteria for the collection of statistical data on tourist arrivals, it is impossible to determine the exact number of business travelers in St. Petersburg [14].

In 2016, China and Uzbekistan became the leading resource markets for St. Petersburg (see Table 2).

Table 2

Leader — countries (first six months of each year)

	2014	2015	2016	Trend (2015/2016), %
China	48,500	88,910	146,825	67.2
Ukraine	67,056	77,094	56,759	–26.8
Finland	40,387	35,706	37,496	4.3
Germany	37,655	29,972	38,004	28.9
Belarus	22,843	25,984	28,134	8.2
France	25,314	20,362	27,162	32.81
Turkey	14,182	19,041	3,801	81.1
Italy	19,111	17,527	20,184	19
Republic of South Korea	12,293	14,101	23,517	65.6
Kazakhstan	12,239	13,891	16,512	18.3
Azerbaijan	13,479	13,652	13,751	1.25
USA	14,060	13,647	18,620	38.1

Source: compiled on the basis of [14].

One of the most important areas of tourism now is gastro-tourism. P. O. Berg and G. Sevon have proved “that food and gastronomy are increasingly important to communicate the key characteristics and the attractiveness of a city. We have also argued that the importance of food and gastronomy in city branding can be explained by a relative impact of the polysensory cues related to food, meals and gastronomy” [26].

It should be noted that gastronomic branding is one of the advantageous marketing strategies for the development of territories. Being one of the largest tourist centres in Europe, St. Petersburg has set an objective to develop a gastronomic brand that enhances its established tourist brand. In November 2016, the city hosted the first St. Petersburg restaurant festival, with the participation of the most popular restaurants in the city. All of them presented a set menu which served as a restaurant business card. This gave an opportunity to try dishes specially prepared for the festival at an affordable price. Since the festival presented restaurants belonging to different market segments and offering various cuisines, visitors could form their own idea of St. Petersburg gastronomy. The aim of the festival is to prove to international tourists and guests from Russia that St. Petersburg is a good place to visit not only in summer, but also in the off-season, paying an affordable price for hotels and museums, and enjoying inexpensive but delicious food [16].

The Scarlet Sails festival is a good example of a comprehensive promotion strategy of the region. Originally, this festival was organised for school students in St. Petersburg on the day they leave school. However, tourists enjoyed the event and started booking their trips to see the festival. The Scarlet Sails has been included in the register of world event tourism and recommended for visiting in 20 countries. In 2016, the festival won the Best European Event Award and was recognized as the best city event in Europe [1].

Students

University students are also a very important group of regional stakeholders. Many European cities received an additional impetus to their development in the Middle Ages merely due to the appearance of universities (Bologna, Padua, Heidelberg, Paris). Nowadays, a university can change any urban space for the better. In this context, the Swedish city of Malmö is a good example. In the 1990s, Malmö was in a state of deep economic depression. The opening of the university in this city was a step aimed at the rehabilitation of the city. E. A. Dyba in her study “The Influence of the University on the Formation of the Urban Environment” revealed the following pattern, ‘There is a direct relationship between the perception of the area as a university centre and the degree of its comfort for citizens and students. The more people describe the area as a university place, the more positive characteristics they assign to this environment’. The author notes, “The University is not so much academic buildings, but primarily students and teachers. Students are the most mobile and active population group in the city” [5].

As part of the work on this topic, we conducted a survey of three largest universities in St. Petersburg. Respondents of the survey were asked to identify features that make this or that territory attractive from the educational point of view. The survey revealed the following characteristics: historical and cultural value of the city, availability of various benefits for students, living conditions (for incoming students, it is primarily comfortable dormitories), ample opportunities for leisure, quality of education, convenient public transport, a large number of competing Universities giving the possibility of choice, convenient transport routes (for travel across the country and abroad); and the existence of student organizations. In addition to all the above, it is very important for students to be able to have professional apprenticeship and to get a job after their graduation.

We found out that the respondents think St. Petersburg possesses most of the characteristics listed above. The city attracts them by the high level of general urban culture, the culture of speech, general intelligence and friendliness of the residents. The climate, long distances, overpopulation, and expensive housing and well as social stratification of society were mentioned as negative characteristics of the city.

Conclusions

Place branding unites residents of a place and forms the basis for communication with the outside world, promoting a city nationally and internationally. Place branding is an instrument of transformation; it is directly related to the strategy of urban development. Obviously, the elaboration of an effective policy of territorial branding is impossible without a clear understanding of the interests of each group of stakeholders.

However, in the present situation, St. Petersburg does not have a single and strong brand identity. The perception of the city brand among different groups of stakeholders is characterized by a set of disparate concepts and different symbols that are associated in the mind of different people with St. Petersburg. We hold that there is no policy aimed at sustainable development of the brand of this territory. This, however, does not mean that there is no promotion of the brand of the city both in Russia and abroad.

In 2005, an attempt was made to rebrand St. Petersburg. The city authorities invited experts from Boston Consulting Group (BCG) and invested a lot of money into the project. BCG consultants produced detailed recommendations how to rebrand the city. However, they did not take into account the fact that the development of a new city image alone is a solution in itself. Rebranding is a long and difficult process involving joint effort and constant communication with the key stakeholders and all other parties involved.

The Government of St. Petersburg and the Committee for Tourism, in cooperation with experts representing the tourist industry, are taking certain steps that may be considered elements of the regional branding policy.

Roundtable discussions are held with the participation of specialists in various areas. For example, during the work of the Round Table conference held on April 27, 2015, representatives of the Government of St. Petersburg, the Vedomosti Publishing House, experts from the tourist industry and specialists on branding discussed the existing problems of the city's identity and formulated a number of tasks to create a strong and integrated brand of St. Petersburg. Participants of the discussion concluded that St. Petersburg is already a stable global brand. However, a more dynamic development of the city requires new legislative and investment projects in the field of tourism, infrastructure development, and the formation of urban clusters, both cultural and scientific ones. The city's brand cannot be a static museum exhibit; it should be a dynamic concept, that unites the rich cultural heritage and the newly created spaces and events that can attract the world community. The city should promote itself as open, friendly buzzing with life to attract domestic and international visitors.

Our main conclusion is the necessity to identify key stakeholders important for each specific region, to determine the degree of their influence on regional decision-makers and the development of the region as a whole including its branding and promotion. Each group can consist of a set of subgroups, the interests of which require a separate and careful investigation.

The authors propose a model of target audiences for the policy of place branding, and apply it to St. Petersburg setting. The city, having a multitude of visual history sites, has a huge development potential. The challenge is to use the existing potential for the benefit of the city. Professionals in the development of territories should show advantages that will appeal to clearly determined target groups. After all, in the current economic situation, when financial possibilities of Russian regions are limited, a clear and coherent policy of place branding can help promote economic growth and improve life quality of the population living in this territory.

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